

# Office Memorandum • UNITED STATES GOVERNMENT

TO : The Files

DATE: 29 May 1958

FROM : 

50X1

SUBJECT: RD-128, T.O. 1

DOC	12	REV DATE	6 MAY 1960	B	018373
ORIG COMP	033	DPI	56	TYPE	02
ORIG CLASS	3	PAGES	7	REV CLASS	C
JUST	22	NEXT REV	2010	AUTH	MR 70-2

1. A meeting was held on 26 May 1958 at the contractor's premises to discuss the progress of work under Work Order 4, (design and fabrication of 35 Video Recorder Units.) of this task. Personnel attending were:

50X1

2.  was advised that the Agency was disturbed about the following items:

50X1

- a. Out of 15 units delivered as the first part of the production run, 13 units were rejected by the Agency due to assorted defects. (See Attachment 1)
- b. The long time involved (approximately 15 months to date) for the completion of work.
- c. A lack of concentrated effort on the contractor's part.
- d. Poor management of funds.
- e. Poor technical ability and engineering practice.

On a previous occasion,  letters of 14 and 31 March), the company requested additional funds to complete all remaining work under this work order and assured the Agency at that time that complete workable units would be delivered. Now, the Agency stated, it felt  had a moral obligation to repair the defective units previously delivered.

50X1

50X1

CONFIDENTIAL

~~SECRET~~

~~SECRET~~

CONFIDENTIAL

3. After a long discussion of the items listed in Paragraph 2 and possible causes for the defects listed in Attachment 1, [ ] stated that, in his opinion, [ ] had met all its obligations under the QRF contract. [ ] also requested a formal rejection of the units in question before any corrective action could be taken. In addition, all parties concerned agreed that the Agency would test the 15 units scheduled for delivery within the next several days and return any defective units. [ ] felt that only then could an honest appraisal of additional cost, if any, be prepared by [ ]. At this point, it was made clear to [ ] that the Agency felt it was not its responsibility to pay the additional cost for repairing the defective units. [ ] agreed to consider this when they prepared their cost estimate.

50X1

50X1

50X1

50X1

50X1

50X1

50X1

50X1

Attachment:

Attachment 1

CONFIDENTIAL

~~SECRET~~